

Senate File 138 - Introduced

SENATE FILE 138
BY HAMERLINCK

A BILL FOR

1 An Act exempting from the state individual income tax federal
2 retirement pay received for military service and including
3 retroactive applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 422.7, Code 2011, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 31A. *a.* Subtract, to the extent included,
4 retirement pay received from the federal government for
5 military service performed in the armed forces, armed forces
6 military reserve, or national guard.

7 *b.* The exclusion of retirement benefits under this
8 subsection is in addition to any exclusion provided under
9 subsection 31.

10 Sec. 2. RETROACTIVE APPLICABILITY. This Act applies
11 retroactively to January 1, 2011, for tax years beginning on
12 or after that date.

13 EXPLANATION

14 This bill provides for the exclusion of retirement benefits
15 from federal military service in the armed forces, military
16 reserve, or national guard. The exemption is in addition to
17 the general pension exclusion.

18 The bill applies retroactively to January 1, 2011, for tax
19 years beginning on or after that date.